


Chapter 3 - Documentation Requirements

Introduction Documentation requirements

Documentation supporting the existence of real property assets is the shared responsibility of Regional Office Program staff, Engineering staff and Budget and Finance Office staff. Documentation for assets in the RPI will be maintained in the Regional Office. Additionally, a copy of the documentation should be retained at the field station office. (A decision on the specific document retention hardware and software solutions, will be made by September 30, 2004). Documentation should detail to the greatest extent possible the method of acquisition (i.e. purchased, transferred, donated), the date that the asset was acquired or placed in service, the date constructed, improvements, and the total cost to acquire and place the asset in service. Documentation should be prepared and maintained so that a third party can readily determine acquisition specifics and history.

 It is strongly recommended that each service asset be supported with a file indexed by the asset's SAMMS number.

Documentation Requirements covers two areas:

- A. Documentation to Support the RPI Records, and
- B. Documentation Retention Time Period.

A. Documentation Supporting the RPI Records

Introduction

This guidance provides information on appropriate documentation for the different acquisition types and disposition methods including:

1. Constructed
2. Donated
3. Donated with land
4. Exchanged
5. Federal transfer with NBV below capitalization threshold
6. Jointly funded
7. Leased
8. Leasehold improvement
9. Purchased
10. Purchased with land
11. Service managed not Service owned
12. Transferred from Federal entity
13. Transferred from Federal entity with land
14. Withdrawn


It is recommended that each document is annotated with the asset number.

PROCESS

Purchased assets

Adequate documentation can consist of multiple items. Cost and other purchased asset information should be supported by vendor invoice(s) supporting the payment(s) to the vendor. A summary page, totaling to the asset value, should accompany multiple vendor invoices supporting one asset. Documentation for purchased assets should include:

1. Vendor invoices,
2. Purchase order/authorizations,
3. Purchase agreements,
4. Receiving reports,
5. Documents detailing shipping, setup fees or costs necessary to begin using the asset, and/or
6. Engineering cost estimates (in the absence of any of the documents noted above.)

 The acquisition date entered into the RPI should be consistent with the purchase date indicated on the receiving report.

Refer to the policy for corrections to existing assets when these documents are not available. See *D. Changes to Existing Assets*, 37.

PROCESS

Constructed assets or major improvements

All of the direct costs incurred in the construction of an asset should be documented and maintained in the Regional office upon completion. These costs include:

1. Construction contract costs, including all modifications and related invoices.
2. Invoices for engineering, architectural, and other outside services for designs, plans, specifications, and surveys.
3. Invoices for short term equipment rental costs.
4. Invoices, purchase orders or receiving reports for all purchased materials involved in the construction of the new asset.
5. Invoices for dedicated jobsite utilities.
6. Time accounting and labor rate for all labor directly related to the construction


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- including any construction work and progress inspections (FW61001 and FW31801 are primary reports for labor costs).
7. For donated labor, a letter or Statement from the donating organization or field station manager Statement detailing approximate hours donated, work performed and whether labor was skilled or unskilled.
 8. For donated materials, documentation must represent a Statement from the donating organization, or a market-based estimate of all donated materials.

The date when an asset is available for use by the Service must be correctly represented in the RPI. For constructed assets, the placed in service date is when the asset is beneficially occupied, or otherwise is available for use, even though not all requirements attendant to the construction project have been fulfilled, such as receipt of a certificate of occupancy, closeout of construction contracts, or final payments to contractors.

On construction projects, the payment aligned with substantial completion often aligns with the date of beneficial occupancy. The acquisition date should NOT align with the date of final payment on a construction project, unless the final payment occurs at the time of beneficial occupancy.

Costs of the usage of Service owned equipment to construct a new asset are generally not included as direct costs unless they exceed the threshold of \$100,000. In the case of significant usage of Service owned equipment, the Regional BFO's office should provide guidance on inclusion and documentation.

For construction projects, the date of the contractors payment request for substantial completion is often close to the day of beneficial occupancy. Typically, the acquisition date is before the date of the final payment request from the contractor, unless it can be documented that the final payment occurred at the time of beneficial occupancy.

 Awarded construction, contracts greater than \$2 million and resulting in the addition of multiple assets to the Service's RPI, should include a general condition in the contract specifications requiring the general contractor to provide a breakout of construction costs per identifiable significant asset. This contract requirement may be used for awards that are less than \$2 million.

For example, if a single construction contract award includes the construction of a visitor center, bridge, parking lot, and road, the contractor should provide a separate line item cost breakdown for each of these individually identifiable assets. This requirement of a general contractor is analogous to contract specification requirements for as-built drawings.

For smaller construction contracts, the REO can allocate or prorate the total cost of the project to individual assets by physical attributes such as square feet or by administrative means such as a percentage estimate from a bid sheet; or other logical, consistent means. Since the key audit result is to move the full capitalized cost into the balance sheet, as long as the full capitalized cost is moved, the individual asset amounts need not be exact. Documentation should be included showing the arithmetic results along with a signed and dated narrative to the file explaining the methodology.

PROCESS

Donated assets

Documentation should detail the Service's date of acquisition and the fair market value of the asset. Documentation should consist of a letter from the donating organization, detailing a description of the asset, date of the donation, and the donors estimated fair value of the asset. In instances where a letter cannot be obtained from the donor, a signed file memo documenting attempts were made to obtain correspondence from the donor and detailing a market-based estimate of asset value.

PROCESS
Capital leased
assets

For capital leases, documentation for leased assets should include the lease agreement including payment terms, length of lease, description of asset and fair market value if available.

PROCESS
Transferred
assets

Documentation should include agency transfer documentation detailing the pre-existing depreciation schedule and net book value at the time of the transfer, as well as invoices for additional costs incurred to place the asset in service and in the form in which it will be used. If agency transfer documentation is unavailable, a signed file memo documenting attempts were made to obtain transfer documentation.

PROCESS
Assets purchased
with land

Documentation should include the purchase agreement and appraisal. All significant identifiable assets should be detailed in the appraisal. Where a value has been assigned to a significant asset, complete the computation to determine if it is greater than 15%. When significant assets are identified, but a value has not been assigned, it is assumed to not be contributory; therefore, is incidental to the land purchase. If an asset is not separately identified, it is assumed not to be significant and is incidental to the land purchase. See *Incidental to land*, 64.

PROCESS
Disposal and
retirements

Documentation for disposals and retirements should include the bill of sale, disposition authorization, invoice for demolition services, or field station manager memo to file detailing the asset retirement or determination that the asset no longer exists. The date on the completed *Certificate of Unserviceable Property, DI 103a* shall be the date indicated in the RPI for the disposal or retirement.

PROCESS
Jointly funded

Documentation for jointly funded assets should include the standard Financial Management System (FWS) reports as they apply, such as the Selected Project Status Report FW61001, the Service Asset Maintenance Management System (SAMMS) reports, invoices, and purchase orders. If possible, the documentation should include partners' financial reports, invoices, etc.

If partner information is not available and the goods and services contributed by the partner share are similar to commercially obtained services by the Service, then the cost for the Service share may be extrapolated. In some cases, a partner may have used the contribution as a tax deduction; therefore, using the appropriate IRS donations tax form can provide a fair market value estimate of the contribution. If those documentation methods are not adequate, the FWS Acquisition and Replacement Cost Estimate Worksheet (p. 140) is used to determine the partners' contribution.

PROCESS
Exchanges

Documentation for exchanged assets should include the quit claim deed for the asset being given up and the warranty deed for the asset being provided. The accompanying appraisals for each property should also be provided. The appraisals should be compared. If there is a difference in value, then cash is exchanged to create an even exchange. The payment document should be included in the asset file.

PROCESS

Documentation required to support force account projects that meet capitalized threshold

The following documents are required for projects expected to be capitalized:

	Description
FFS Summary Project Report (FWS61001)	FWS61001 provides labor and nonlabor disbursements, and outstanding obligations (UDO's) for projects, broken down by object class. Details for individual pay period labor and nonlabor transactions are provided via FFS report FWS 31801. When the asset is put into service, the field station will provide copies of the most recent project report FWS 61001 and monthly transactions reports FWS 3180. In addition, field stations will be providing additional supporting documentation for each major procurement action (see below). For multiple-funded projects, the project reports will be added together manually by the Regional BFO.
Materials and Supplies	Materials and building supplies purchased specifically for a project the originating purchase order and invoice along with the asset code and project number should be provided to the Regional BFO.
Contract Services	If contract services are used for multiple force account projects, the originating contract or purchase order and invoice annotated with the actual or estimated amount used on each asset code and/or project number should be provided to the Regional BFO.
SAMMS Reports	For stations that fully implement SAMMS, SAMMS reports are sufficient documentation for documenting acquisition cost.

PROCESS

Documentation required to support force account projects under capitalized threshold

For projects that are expected to be below the capitalization threshold, field stations should provide annotated *Office Transaction Reports* (OTRs) and materials invoices to the BFO in order to establish acquisition costs from which replacement estimates can be derived. This documentation will also document the fact that the project is under the capitalization threshold.

PROCESS

Withdrawals

Documentation for withdrawals is maintained with the Bureau of Land Management (BLM) which controls all government-owned public domain land, regardless of the "owning" agency of record. In most cases BLM has made a determination of the real property improvement residing on withdrawn land at the time it is withdrawn from the public domain. If the withdrawn land is retransferred to the Service from another agency, the balance sheet information (acquisition cost, NBV and accumulate depreciation) should be obtained from that agency. If the secondary agency did not record the asset on their balance sheet, the BFO may need to seek help from the BLM to secure the balance sheet information.

B. Documentation Retention Time Period

POLICY

Documentation supporting the existence of capitalized real property assets must be retained and available in the RO as long as the asset is in service. Additionally, documentation should be kept for a period of 3 years after the asset is disposed of or removed from service.